

**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765**

REVIEW REPORT
OF

INDIANA PROTECTION AND ADVOCACY
SERVICES COMMISSION
STATE OF INDIANA

April 1, 2002 to May 31, 2006



FILED
7/26/06

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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Thomas Gallagher	12-13-95 to 06-30-07
Commission Chairperson	Veronica Conlin Kristie M. Carter	11-10-01 to 06-30-02 07-01-02 to 06-30-08



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF INDIANA PROTECTION AND ADVOCACY SERVICES COMMISSION

We have reviewed the receipts, disbursements, and assets of the Indiana Protection and Advocacy Services Commission for the period of April 1, 2002 to May 31, 2006. Indiana Protection and Advocacy Services Commission's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Indiana Protection and Advocacy Services Commission are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations except as stated in the review comments.

STATE BOARD OF ACCOUNTS

June 22, 2006

INDIANA PROTECTION AND ADVOCACY SERVICES COMMISSION
REVIEW COMMENTS
MAY 31, 2006

DAILY DEPOSITS

The Indiana Protection and Advocacy Services Commission did not consistently deposit receipts for the Qualified Mental Retardation Professional (QMRP) Designee Training within the following business day.

Indiana Code 5-13-6-1(b) states in part: "... all public funds ... shall be deposited with the treasurer of state, or an approved depository selected by the treasurer of state not later than the business day following the receipt of the funds."

SDO ADVANCE

The Special Disbursing Officer Fund (SDO) advance (for the fund center 6000/106000) for the Indiana Protection and Advocacy Services Commission was not turned over, or reimbursed completely, for several months.

If a SDO advance is not used within one or two months then the SDO advance is too large and should be reduced. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

SDO FUND RECONCILIATIONS

The Indiana Protection and Advocacy Services Commission has not performed reconciliations of its Special Disbursing Officer (SDO) advance in a timely manner.

Two reconciliations must be performed for the SDO fund each month. The bank statement for the checking account must be reconciled to the check register. Also, the check register must be balanced to the total SDO advance. These reconciliations must be formally documented. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

INDIANA PROTECTION AND ADVOCACY SERVICES COMMISSION
EXIT CONFERENCE

The contents of this report were discussed on July 17, 2006, with Thomas Gallagher, the Executive Director. The official response has been made a part of this report and may be found on pages 6 and 7.

MITCHELL E. DANIELS, JR.
GOVERNOR

COMMISSION MEMBERS

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CHAIRPERSON
MARION CO

VERONICA MACY
VICE CHAIRPERSON
HAMILTON CO

VICKI CONLIN
SECRETARY
CLARK CO

PATRICIA ANDERSEN
LAKE CO

SARAH E EMERSON
MARION CO

LISA FLOYD
MADISON CO

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July 19, 2006

Indiana State Board of Accounts
302 West Washington Street, Room E418
Indianapolis, Indiana 46204

Attention: Mr. Bruce A. Hartman, CPA, State Examiner

Following is the Indiana Protection and Advocacy Services (IPAS) Commission's official response to the results and comments to Audit Review Comments (exit conference held on July 17, 2006):

DAILY DEPOSITS — The Indiana Protection and Advocacy Services Commission did not consistently deposit receipts for the Qualified Mental Retardation Professional Designee Training within the following business day.

Response: IPAS' ability to deposit revenue received by the day following receipt of funds has not always been accomplished. This is due to the proximity of IPAS' offices relative to the State Treasurer and the small number of IPAS' staff members dedicated to this task. There are two staff members who can process deposits, their coinciding absences result in a delay. IPAS will endeavor to be more consistent with making timely deposits of any revenue received.

SDO ADVANCE — The Special Disbursing Officer Fund (SDO) advance (for the fund center 6000/106000) for the Indiana Protection and Advocacy Services Commission was not turned over, or reimbursed completely, for several months.

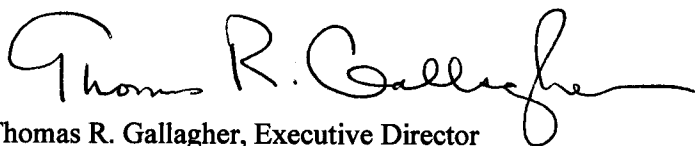
Response: A request has been made (July 2006) to reduce the SDO advance from its current level of \$10,000 to \$7,000 in keeping with the audit recommendation.

SDO FUND RECONCILIATIONS — The Indiana Protection and Advocacy Services Commission has not performed reconciliations of its Special Disbursing Officer (SDO) advance in a timely manner.

Response: A second reconciliation of the SDO ledger to the SDO advance will be added to the monthly balancing of the SDO ledger to the bank statement.

The Indiana Protection and Advocacy Services Commission appreciates the cooperative and professional manner in which the audit was conducted and for the helpful recommendations which resulted.

Respectfully,

A handwritten signature in black ink, reading "Thomas R. Gallagher". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Thomas R. Gallagher, Executive Director
Indiana Protection and Advocacy Services Commission